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Stability of year-to-year physician resource-use measurement using episode groupers

ISSUE: The Commission recommended in March 2005 that CMS use Medicare claims data to measure fee-for-service physicians' resource use and to provide individual physicians with confidential information on their resource use relative to their peers. Commercially available episode groupers can be used to compare physicians' resource use to their peers'. The Commission has been exploring the use of episode groupers with Medicare claims to better understand how these tools might work for Medicare. In general, our earlier analysis showed that it is possible to use episode groupers to measure Medicare physician resource use, but some technical and analytic issues will need to be addressed before implementation. One issue we needed to explore is whether there is year-to-year stability in physicians' relative resource use. In this session, we will discuss two different statistical models for making these peer-to-peer comparisons and then assess the year-to-year stability of results.

KEY POINTS: We will present results for the year-to-year stability of physicians' average resource use.

ACTION: Commissioners should review the results and let us know of any questions or additional analyses that should be addressed.

STAFF CONTACT: Jennifer Podulka (202-220-3718) and Megan Moore (202-220-3754)